

March 3, 2014

VIA ELECTRONIC MAIL

Ms. Lori Houck Cora
Assistant Regional Counsel
United States Environmental Protection Agency
ORC-158
Region 10
1200 Sixth Avenue
Seattle, WA 98101-3123

Re: Linnton Plywood Association--Environmental Protection Agency
Portland Harbor Superfund Site, Portland, Oregon; Linnton Plywood Association
Ability to Pay Information
FRE 408 CONFIDENTIAL SETTLEMENT COMMUNICATION

Dear Lori:

In addition to the enclosed February 28, 2014, Estimated Sale Proceeds and Required Obligations Schedule ("Schedule"), the following is LPA's updated response to EPA's previous request for LPA's financial information:

- a. Tax Returns. Attached are LPA's 2011 and 2012 U.S. Income Tax Returns for Cooperative Associations (Form 1120-C page one).
- b. Annual financial statements. Attached are LPA's Balance Sheet and Profit and Loss Statements of March 31, 2013, fiscal year-end, and for December 31, 2013, calendar year end. In addition, attached is a February 27, 2014, pro forma itemization of current monthly expenses and income. The only remaining rental income will be that paid by Harmer Steel. It reflects cash on hand which is primarily comprised of the transaction purchase price advances.
- c. Litigation. LPA is not currently (and does not anticipate becoming) a party to any litigation.
- d. Financial Settlements. Since January 10, 2013, LPA has received nonrefundable purchase price installment advances from the prospective purchaser, Linnton Water Credits, LLC as reflected in the attached Schedule.

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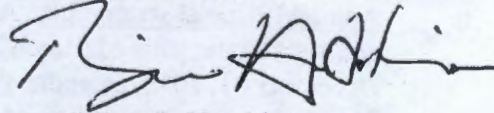
This amount applies to the purchase price. No amounts have been received in settlement monies from any insurer or other party.

- e. Credit. The Company has no lines of credit and has not applied for any.
- f. Insurance. All information responsive to this request has previously been provided. Coverage counsel may be able to provide any new or updated information.
- g. Land Purchase and Sale Agreement. We have previously furnished the Purchase and Sale Agreement, together with Amendments 1 through 3.
- h. Share Redemption and Retains. There is no updated information regarding share redemption and retain refunds that LPA owes its member shareholders.
- i. Additional Information. Also attached are LPA's Multnomah County Real Property Tax Statements reflecting the total amount of delinquent and current fiscal year taxes due. LPA will provide any additional relevant information should it become available.

Please contact us with respect to any questions or need for clarification raised by these responses to your request for financial information.

Very truly yours,

LANE POWELL PC



William P. Hutchison

WPH:maw

Enclosures

cc (w/enc): Paul B. George, Esq. (Via Electronic Mail)